

# INDUSTRY UPDATE

Biweekly Period Ending September 23, 2000

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## Phoenix Metro Area

### **Manufacturing**

Although it's still in its infancy, **Micro Photonix Integration Corp.** in north Phoenix has the potential to become a major player in the lucrative fiber-optic business. With 50 patents pending, including an automated process to build modulators — the most important component of fiber-optic networks — Micro Photonix is **close to completing its first plant and expanding its workforce.** Full production of the modulators — which turn electrical signals from telephones and computers into optical signals — is expected to begin in the first quarter of 2001. The company will need workers with skills in fiber optics, microwave technology, high-precision manufacturing, and semiconductor fabrication.

### **Trade**

Joining Bashas' and Kroger, **Safeway** is **launching an online grocery service** in the Phoenix metro area in October. A **fleet of 50 trucks** will deliver groceries (for free on orders \$60 and up) from the company's Tempe warehouse to homes and businesses. No information was available on the operation's potential employment.

The **first significant retail development** in 20 years partially opened in the **Sunnyslope area** of north Phoenix in mid-September. Anchored by an **ABCO Desert Market grocery store**, the 12.4-acre project between Third Street and Central Avenue from Dunlap Road to Townley Avenue will eventually include a Greenbacks Variety Store, Office Depot, Hollywood Video, and a variety of other stores.

**ABCO**, which is the first store to open, **employs about 100.**

### **Services**

Financially beleaguered **MicroAge Inc.** is **selling its call-center operations** for \$8.2 million to a group led by Tucson investment firm HSL Properties. Tempe-based **MicroAge Teleservices**, which provides technical support for clients such as UPS and AT&T and generates annual revenue of about \$40 million, **employs about 1,000 people** in Tempe, Las Vegas, and Santa Maria, Calif. MicroAge is currently under U.S. Bankruptcy Court protection and sale of the technical-support unit requires court approval. No information has been given on the fate of the unit's workers.

**Rolf's**, a high-end **hairstyling salon and spa**, is **moving its primary location** from Phoenix to **Scottsdale**, with plans to **open several more Valley locations** over the next few years. The 11-year-old business will open its main operation at the Shops at Gainey Village (Scottsdale and Doubletree Ranch roads) in mid-December, then follow up with new salons in Arrowhead Ranch in 2001, Pinnacle Peak in 2002, and the Mesa-Gilbert area in 2003. Rolf's opened a salon near Interstate 10 and Ray Road in Chandler last January.

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## Tucson Metro Area

### **Manufacturing**

As part of a \$28 million expansion and upgrade of the former Burr-Brown Corp. wafer semiconductor facilities, **Texas Instruments** plans to **hire at least 150 employees** (50

electrical engineers and 100 manufacturing technicians) over the next year. Dallas-based Texas Instruments announced in late August it had acquired Burr-Brown for \$7.6 billion in stock. The 20 percent expansion of Burr-Brown's 155,000-square-foot operation at 6730 S. Tucson Blvd. is expected to yield a 60 percent increase in capacity by the first quarter of 2001. More information about the expansion and job opportunities can be found at the following web site: [www.burr-brown.com/employment](http://www.burr-brown.com/employment).

### **Services**

**First Health Group Corp.** has started construction on an \$8 million, 100,000-square-foot **high-tech imaging facility** near East Valencia and South Palo Verde roads that could eventually house up to 1,000 workers. The Downers Grove, Ill., company, which has 4,000 employees, plans to **initially hire 400 people** to help convert medical claim forms into digitized computer files. Applicants, preferably with data-entry or insurance work experience, should send a resume to First Health's Tucson office at 2731 E. Elvira St. 85706-7156. The company, which processes health and workers' compensation forms for some of the nation's largest employers, expects the **facility to open in March**.

Tucson-based **AlphaGraphics**, which has 340 printing shops throughout the world, announced **tentative plans to relocate its corporate headquarters** and 130 employees out of state by October. The 30-year-old company, which expects to expand its corporate staff by 30 percent over the next five years, cited a lack of qualified white-collar workers and insufficient airline service as reasons for the potential move. The relocation would not affect any of the 12 Tucson franchise locations.

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### **Balance of State**

#### **Construction**

Approval of a **half-cent sales tax increase** by Yuma County voters in September will

provide **\$57.6 million** for **court-related construction** over the **next eight years**. Among the projects planned are a 72-bed Juvenile Detention facility, a Juvenile Court and administration building, a court annex for Yuma County Superior and Yuma Justice courts, and a 300-space parking garage.

### **Government**

**Bullhead City** is hiring a staff of **nearly 10** (part-time and full-time) workers for its new **Dial-A-Ride bus service** that will begin in late November. The city is seeking six drivers, two dispatchers, one mechanic helper, and one coordinator. Deadline for applying is Oct. 6.

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### **Statewide**

#### ***Transportation, Communications, and Public Utilities***

About **375 Arizona employees of Qwest Communications International** will **lose their jobs** as part of a 15 percent cutback (11,000 jobs) by the Denver-based company, which recently merged with US West. Most of the job losses will occur in administrative, not service-related positions, said a Qwest official.

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## **INDUSTRY UPDATE**

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